



4. **RENEWAL OPTIONS:** The Lease may be renewed at the option of the Postal Service, for the following separate and consecutive terms and at the following annual rentals:

RENEWAL OPTION	EFFECTIVE DATE	EXPIRATION DATE	PER ANNUM RENTAL
1	10/24/2021	10/23/2026	\$236,800.00
2	10/24/2026	10/23/2031	\$240,000.00

provided that notice is sent, in writing, to the Lessor at least 30 days before the end of the original lease term and each renewal term. All other terms and conditions of this Lease will remain the same during any renewal term unless stated otherwise herein.

5. **UTILITIES, SERVICES, AND EQUIPMENT:** Lessor, as part of the rental consideration, shall furnish the following utilities, services and equipment: (See Lessor Obligations of General Conditions (A.24) and/or attached addendum for definitions.) Heating System, Air Conditioning Equipment, Light Fixtures, Sewerage System, Electrical System, Water System, (USPS will pay separately metered utilities).

6. **OTHER PROVISIONS:** The following additional provisions, modifications, riders, layouts and/or forms were agreed upon prior to execution and made a part hereof:

Construction Rider (C-1), Maintenance Rider - USPS (M-1), Reimbursement Tax Rider/98 (T-1), Purchase Option Rider (P-1), Asbestos-Free Certification (Exhibit 1). See Attached Addendum.

7. The undersigned has completed the 'Representations and Certifications.' (See Section B).

8. **LEGAL DESCRIPTION:**

See ATTACHMENT "A"

## LEGAL DESCRIPTION

A LEGAL DESCRIPTION OF A 3.88, MORE OR LESS, ACRE TRACT LOCATED IN THE SOUTHWEST QUARTER OF SECTION 28, TOWNSHIP 1 SOUTH, RANGE 8 WEST AND IS MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SECTION 28, TOWNSHIP 1 SOUTH, RANGE 8 WEST; THENCE SOUTH 89 DEGREES 49 MINUTES 30 SECONDS EAST, ALONG AND WITH THE CENTERLINE OF GOODMAN ROAD (R.O.W. VARIES), A DISTANCE OF 1288.22 FEET TO A POINT; THENCE NORTH 00 DEGREES 10 MINUTES 30 SECONDS EAST, A DISTANCE OF 45.00 FEET TO A CONCRETE MONUMENT (SET) IN THE NORTH RIGHT-OF-WAY LINE OF GOODMAN ROAD; THENCE NORTH 00 DEGREES 38 MINUTES 08 SECONDS WEST, ALONG THE EAST LINE OF THE HUGH DANCY PROPERTY, A DISTANCE OF 508.00 FEET TO A CONCRETE MONUMENT (SET); THENCE NORTH 89 DEGREES 21 MINUTES 52 SECONDS EAST, ALONG THE SOUTH LINE OF THE HUGH DANCY PROPERTY, A DISTANCE OF 335.00 FEET TO A CONCRETE MONUMENT (SET); THENCE SOUTH 00 DEGREES 38 MINUTES 08 SECONDS EAST, ALONG THE WEST LINE OF THE HUGH DANCY PROPERTY, A DISTANCE OF 485.14 FEET TO A CONCRETE MONUMENT (SET) IN THE NORTH RIGHT-OF-WAY LINE OF GOODMAN ROAD; THENCE SOUTH 63 DEGREES 36 MINUTES 36 SECONDS WEST, ALONG AND WITH SAID NORTH RIGHT-OF-WAY LINE, A DISTANCE OF 28.17 FEET TO A CONCRETE MONUMENT (SET); THENCE SOUTH 85 DEGREES 53 MINUTES 09 SECONDS WEST, ALONG THE NORTH RIGHT-OF-WAY LINE OF GOODMAN ROAD, A DISTANCE OF 200.56 FEET TO A CONCRETE MONUMENT (SET); THENCE NORTH 89 DEGREES 49 MINUTES 30 SECONDS WEST, ALONG THE NORTH RIGHT-OF-WAY LINE OF GOODMAN ROAD, TO THE POINT OF BEGINNING, CONTAINING 3.88, MORE OR LESS, ACRES OF LAND BEING SUBJECT TO ALL RESTRICTIONS, REVISIONS, COVENANTS, CODES, EASEMENTS, AND RIGHTS-OF-WAY OF-RECORD.



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Option to Purchase Rider

## Facility Name/Location

HORN LAKE - MAIN OFFICE (273601-003)  
HORN LAKE, MS 38637-3998

DE SOTO COUNTY

Project: H22904

In consideration of the execution of the lease and of the mutual covenants and agreements set forth herein, the lessor of the property described in the lease (hereinafter referred to as Seller), agrees to sell and convey to the U.S. Postal Service and its assigns, at the price and time set forth below, the fee simple title to the land described in the lease, with the buildings and improvements thereon, located in the city, county, and state described in the lease. Title will be transferred subject to the following rights outstanding in third parties:

## The purchase price shall be:

- ( 1 ) At the completion of construction;
- ( 2 ) At the end of the first full year of occupancy;
- ( 3 ) At the end of five years;
- ( 4 ) At the end of ten years;
- ( 5 ) At the end of fifteen years;
- ( 6 ) At the end of twenty years;
- ( 7 ) At the end of twenty five years;
- ( 8 ) At the end of thirty years;

2,995,000 \$2,895,000  
~~3,200,000~~ 3,100,000  
~~3,400,000~~ 3,200,000  
~~3,600,000~~ 3,300,000  
~~3,800,000~~ 3,400,000  
~~4,000,000~~ 3,500,000  
~~4,200,000~~ 3,600,000  
~~4,400,000~~ 3,700,000

The Postal Service will give the Seller notice of election to purchase within thirty (30) days after completion of construction and acceptance of the facility or within thirty (30) days in advance of the respective times set forth above. Upon said notice by the Postal Service, this purchase agreement is effective and binding on the parties.

The terms and conditions of this agreement are as follows:

1. The purchase price set forth in this Option to Purchase Rider is payable after approval by the Postal Service of the Seller's title and execution and delivery by the Seller of a good and sufficient general warranty deed conveying said land with the hereditaments and appurtenances thereunto belonging to the United States Postal Service and its assigns in fee simple. Conveyance of title must be free and clear from all liens and encumbrances, except those specifically excepted or reserved in the lease, together with all right, title, and interest of the Seller to any streams, alleys, roads, streets, ways, strips, gores, or railroad rights-of-way abutting or adjoining said land.
2. It is agreed that the Postal Service will pay the expenses incident to the preparation and recordation of the deed to the Postal Service and for procurement of the title evidence, deemed necessary by the Postal Service.
3. The Seller agrees that all taxes, assessments, and encumbrances, which are valid liens against the land at the time of conveyance to the Postal Service, must be satisfied of record by the Seller at or before the transfer of title. The Seller will, at the request of the Postal Service and without prior payment or tender of the purchase price, execute and deliver the general warranty deed to the Postal Service and obtain and record such curative evidence of title as may be required by the Postal Service. If the Seller fails to satisfy any such liens or to secure such curative evidence as required, the Postal Service may pay said liens and cure such defects and deduct from the purchase price any costs incurred. The Seller agrees to take all actions necessary, in a diligent manner, to effect transfer of title in accordance with the terms of this agreement.
4. The Seller agrees that loss or damage to the property by fire or acts of God are at the risk of the Seller until the title to the land and deed have been accepted by the Postal Service through its duly authorized representative. In the event that such loss or damage occurs, the Postal Service may, without liability, refuse to accept conveyance of title, or the Postal Service may elect to accept conveyance of title to such property, in which case there must be an equitable adjustment of the purchase price.
5. The Seller's spouse, if any, agrees to join in any deed to the Postal Service and to execute any instrument necessary to convey any separate or community estate or interest in the subject property to the Postal Service. The spouse also agrees to relinquish and release any dower, curtesy, homestead, or other rights or interests therein.
6. The terms and conditions of this agreement apply to and bind the heirs, executors, administrators, successors, and assigns of the Seller.
7. All terms and conditions with respect to this agreement are expressly contained herein. The Seller agrees that no representative or agent of the Postal Service has made any representation or promise with respect to this agreement not expressly contained herein.
8. The terms and conditions of the lease in effect at the time of the exercise of the option to purchase by the Postal Service will remain in effect until closing of the purchase, whether or not the original term of the lease or renewal option period has expired. If, for any reason, the sale cannot be consummated, the notice of election to purchase will, at the sole option of the Postal Service, be deemed a timely notice to renew within the terms of the lease.



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Lease

EXECUTED BY LESSOR this 11 day of November, 1999.

ALL INDIVIDUAL OFFERORS MUST SIGN

Paul B. Sherrod, Jr.  
Print Name & Title

[Signature]  
Signature

\_\_\_\_\_  
Print Name & Title

\_\_\_\_\_  
Signature

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Print Name & Title

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Print Name & Title

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Signature

Lessor, Address: P.O. Box 1660709  
BIRMINGHAM, AL 35266

Telephone No: 205-322-9998

Taxpayer ID: 419-74-9165

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Witness

ACCEPTANCE BY THE POSTAL SERVICE

Date: 3/13/2000

KERRY G. PFRIMMER  
Contracting Officer

[Signature]  
Signature of Contracting Officer

ATLANTA FSO  
4000 DEKALB TECH PKWY 300  
ATLANTA GA 30340-2799  
Address of Contracting Officer

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STATE OF Alabama

COUNTY OF JEFFERSON

Personally appeared before me, a Notary Public in and for the County and State aforesaid,

Paul Blake Sherrill, Jr.  
(Identify individual party to the lease)

\_\_\_\_\_  
(Identify individual party to the lease)

\_\_\_\_\_  
(Identify individual party to the lease)

\_\_\_\_\_  
(Identify individual party to the lease)

\_\_\_\_\_  
(Identify individual party to the lease)

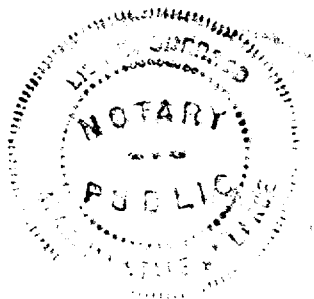
\_\_\_\_\_  
(Identify individual party to the lease)

\_\_\_\_\_  
(Identify individual party to the lease)

who is known to me to be the same person(s) who executed the foregoing lease, and who acknowledged that said person(s) signed, sealed and delivered the same as said person(s)'s free and voluntary act for the uses and purposes therein set forth.

Witness my hand and notarial seal, in the County and State aforesaid,  
this 11th day of November, 1999.

NOTARIAL  
SEAL



Lisa E. Sherrill  
Notary Public

My commission expires March 4, 2003



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**Form of Acknowledgment  
for Contracting Officer**

STATE OF GEORGIA

SS:

COUNTY/PARISH OF DEKALB

Personally appeared before me, a Notary Public in and for the County/Parish and State aforesaid,

(Identify individual party to the lease)

**KERRY G. PFRIMMER**

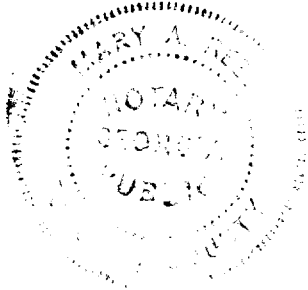
Known to be the Contracting Officer for  
FACILITIES SERVICE OFFICE  
UNITED STATE POSTAL SERVICE  
BLDG 300 - STE 300  
4000 DEKALB TECHNOLOGY PARKWAY  
ATLANTA GA 30340-2799


and to be the same person who executed the foregoing Lease, who deposes and says that he signed his name thereto, by authority of said Postal Service, for the purposes set forth, and as his own free and voluntary act.

Witness my hand and notarial seal, in the County/Parish and State aforesaid,

this 13<sup>th</sup> day of March, 2000.

Notarial  
Seal



  
Mary A. Reed  
Notary Public

My commission expires June 1, 2003

## SECTION A

## A.1 CHOICE OF LAW

This Lease shall be governed by federal law.

## A.2 DEFINITIONS

As used in this contract, the following terms have the following meanings:

a. "Contracting officer" means the person executing this contract on behalf of the Postal Service, and any other employee who is a properly authorized contracting officer; the term includes, except as otherwise provided in the contract, the authorized representative of a contracting officer acting within the limits of the authority conferred upon that person.

b. "Successful offeror," "offeror," "owner," "contractor," or "Lessor" are interchangeable and refer to the party whose proposal is accepted by the Postal Service.

c. "Lease" and "agreement" are interchangeable and refer to this document, including all riders and attachments thereto.

## A.3 EXECUTION REQUIREMENTS

a. All co-owners and all other persons having or to have a legal interest in the property must execute the Lease. If the offeror is married, the husband or wife of the offeror must also execute the Lease. The offeror must submit adequate evidence of title.

b. If the offeror is a general partnership, each member must sign.

c. If the offeror is a limited partnership, all general partners must sign.

d. Where the offeror is an administrator or an executor of an estate, there must be furnished a certificate of the clerk of the court or certified copy of the court order showing the appointment of the administrator or executor, together with a certified copy of the will of the deceased. If there is no will, or in the event the will of the deceased does not specifically authorize the administrator or the executor to enter into a contract to lease the proposed quarters, it will generally be necessary to furnish, in addition to the above named items, a certified copy of the court order authorizing such administrator or executor to enter into a lease with the Postal Service.

e. Where the offeror is a trustee, a certified copy of the instrument creating the trust must be furnished together with any other evidence necessary to establish the trustee's authority to lease.

f. Where the offeror is a corporation, leases and lease agreements entered into must have the corporate seal affixed or in place thereof the statement that the corporation has no seal.

g. Where the offeror is a corporation, municipal corporation, fraternal order or society, the Lease must be accompanied by documentary evidence affirming the authority of the agent, or agents, to execute the Lease to bind the municipal corporation, fraternal order or society for which he (or they) purports to act. The usual evidence required to establish such authority is in the form of extracts from the articles of incorporation, or bylaws, or the minutes of the board of directors duly certified by the custodian of such records, under the corporate seal. Such resolutions, when required, must contain the essential stipulations embodied in the Lease. The names and official titles of the officers who are authorized to sign the Lease must appear in the document.

h. Notices. Any notice to Lessor provided under this Lease or under any law or regulation must be in writing and may be hand delivered or mailed to Lessor at the address specified on page 3 of the Lease, or at

an address that Lessor has otherwise appropriately directed in writing. Any notice to the Postal Service provided under this Lease or under any law or regulation must be in writing and may be hand delivered or mailed, addressed to "Contracting Officer, U.S. Postal Service" at the address specified on page 3 of the Lease, or at an address that the Postal Service has otherwise directed in writing.

## A.4 MORTGAGEE'S AGREEMENT

If there is now or will be a mortgage on the property which is or will be recorded prior to the recording of the Lease, the offeror must notify the contracting officer of the facts concerning such mortgage and, unless in his sole discretion the contracting officer waives the requirement, the offeror must furnish a Mortgagee's Agreement, which will consent to this Lease and shall provide that, in the event of foreclosure, mortgagee, successors, and assigns shall cause such foreclosures to be subject to the Lease.

## A.5 EQUAL OPPORTUNITY

a. The contractor may not discriminate against employees or applicants because of race, color, religion, sex, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, sex, or national origin. This action must include, but not be limited to, employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants, notices provided by the contracting officer setting forth the provisions of this clause.

b. The contractor must, in all solicitations or advertisements for employees placed by it or on its behalf, state that all qualified applicants will be considered for employment without regard to race, color, religion, sex, or national origin.

c. The contractor must send to each union or workers' representative with which the contractor has a collective bargaining agreement or other understanding, a notice, provided by the contracting officer, advising the union or workers' representative of the contractor's commitments under this clause, and must post copies of the notice in conspicuous places available to employees and applicants.

d. The contractor must comply with all provisions of Executive Order (EO) 11246 of September 24, 1965, as amended, and of the rules, regulations, and relevant orders of the Secretary of Labor.

e. The contractor must furnish all information and reports required by the Executive order, and by the rules, regulations, and orders of the Secretary, and must permit access to the contractor's books, records, and accounts by the Postal Service and the Secretary for purposes of investigation to ascertain compliance with these rules, regulations, and orders.

f. If the contractor fails to comply with this clause or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended, in whole or in part; the contractor may be declared ineligible for further contracts in accordance with the Executive order; and other sanctions may be imposed and remedies invoked under the Executive order, or by rule, regulation, or order of the Secretary, or as otherwise provided by law.

g. The contractor must insert this clause, including this paragraph g, in all subcontracts or purchase orders under this contract unless exempted by Secretary of Labor rules, regulations, or orders issued under the Executive order. The contractor must take such action with respect to any such subcontract or purchase order as the Postal Service may direct

as a means of enforcing the terms and conditions of this clause (including sanctions for noncompliance), provided, however, that if the contractor becomes involved in, or is threatened with, litigation as a result, the contractor may request the Postal Service to enter into the litigation to protect the interests of the Postal Service.

h. Disputes under this clause will be governed by the procedures in 41 CFR 60-1.1.

#### **A.6 FACILITIES NONDISCRIMINATION**

a. As used in this clause, the term "facility" means stores, shops, restaurants, cafeterias, restrooms, and any other facility of a public nature in the building in which the space covered by this Lease is located.

b. The Lessor agrees that he will not discriminate by segregation or otherwise against any person or persons because of race, religion, color, age, sex, or national origin in furnishing, or by refusing to furnish, to such person or persons the use of any facility including any and all services, privileges, accommodations, and activities provided thereby.

c. It is agreed that the Lessor's noncompliance with the provisions of this clause shall constitute a material breach of this Lease. In the event of such noncompliance, the Postal Service may take appropriate action to enforce compliance, may terminate this lease, or may pursue such other remedies as may be provided by law. In the event of termination, the Lessor shall be liable for all excess costs of the Postal Service in acquiring substitute space, including but not limited to the cost of moving to such space.

d. The Lessor agrees to include, or to require the inclusion of the foregoing provisions of this clause (with the terms "Lessor" and "Lease" appropriately modified) in every agreement or concession pursuant to which any person other than the Lessor operates or has the right to operate any facility. The Lessor also agrees that it will take such action with respect to any such agreement as the Postal Service may direct as a means of enforcing this clause, including but not limited to termination of the agreement or concession.

#### **A.7 RESERVED**

#### **A.8 CONTINGENT FEES**

a. The contractor warrants that no person or selling agency has been employed or retained to solicit or obtain this contract for a commission, percentage, brokerage, or contingent fee, except bona fide employees or bona fide, established commercial or selling agencies employed by the contractor for the purpose of obtaining business.

b. For breach or violation of this warranty, the Postal Service has the right to annul this contract without liability or to deduct from the contract price or otherwise recover the full amount of the commission, percentage, brokerage fee, or contingent fee.

c. Licensed real estate agents or brokers having listings on property for rent, in accordance with general business practice, and who have not obtained such licenses for the sole purpose of effecting this lease, may be considered as bona fide employees or agencies within the exception contained in this clause.

#### **A.9 ASSIGNMENT OF CLAIMS**

a. If this contract provides for payments aggregating \$10,000 or more, claims for moneys due or to become due from the Postal Service under it may be assigned to a bank, trust company, or other financing institution, including any federal lending agency, and may thereafter be further assigned and reassigned to any such institution. Any assignment or

reassignment must cover all amounts payable and must not be made to more than one party, except that assignment or reassignment may be made to one party as agent or trustee for two or more parties participating in financing this contract. No assignment or reassignment will be recognized as valid and binding upon the Postal Service unless a written notice of the assignment or reassignment, together with a true copy of the instrument of assignment, is filed with:

1. The contracting officer;

2. The surety or sureties upon any bond; and

3. The office, if any, designated to make payment, and the contracting officer has acknowledged the assignment in writing.

b. Assignment of this contract or any interest in this contract other than in accordance with the provisions of this clause will be grounds for termination of the contract for default at the option of the Postal Service.

c. Nothing contained herein shall be construed so as to prohibit transfer of ownership of the demised premises, provided that: 1. such transfer is subject to this agreement; and 2. both the original lessor and the successor lessor execute the standard Lease Assignment and Assumption form to be provided by the USPS Contracting Officer.

#### **A.10 COMPLIANCE WITH OSHA STANDARDS**

The Lessor must (i) comply with applicable Occupational Safety and Health Standards, title 29 Code of Federal Regulations, Part 1910, promulgated pursuant to the authority of the Occupational Safety and Health Act of 1970; (ii) comply with any other applicable federal, state, or local regulation governing workplace safety to the extent they are not in conflict with (i); and (iii) take all other proper precautions to protect the health and safety of (a) any laborer or mechanic employed by the Lessor in performance of this agreement, (b) Postal Service employees, and (c) the public. The Lessor must include this clause in all subcontracts hereunder and to require its inclusion in all subcontracts of a lower tier. The term "Lessor" as used in this clause in any subcontract must be deemed to refer to the subcontractor.

#### **A.11 EXAMINATION OF RECORDS**

a. The Postal Service and its authorized representatives will, until three years after final payment under this contract, or for any shorter period specified for particular records, have access to and the right to examine any directly pertinent books, documents, papers, or other records of the contractor involving transactions related to this contract.

b. The contractor agrees to include in all subcontracts under this contract a provision to the effect that the Postal Service and its authorized representatives will, until three years after final payment under the subcontract, or for any shorter specified period for particular records, have access to and the right to examine any directly pertinent books, documents, papers, or other records of the subcontractor involving transactions related to the subcontract. The term "subcontract" as used in this clause excludes:

1. Purchase orders; and

2. Subcontracts for public utility services at rates established for uniform applicability to the general public.

#### **A.12 YEAR 2000 WARRANTY (REAL PROPERTY CONTRACTS)**

The contractor warrants that all building systems required under this contract (including, but not limited to, HVAC, electrical, lighting, elevator, or security/alarm systems) which contain or are managed, governed, or regulated in any manner by date-sensitive computer hardware or software, will suffer no failure, irregularity, or interruption of

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service based on failure accurately to process date data from, into, and between the twentieth and twenty-first centuries, including recognizing the year 2000 as a leap year. For breach of this warranty, the Postal Service may require the contractor to repair or replace those portions of any building system not performing as stated above.

The Postal Service may enforce this clause prior to January 1, 2000, if testing of any system before that date results in a failure, irregularity, or interruption of service as described above. Accordingly, systems must permit user-programmed date changes sufficient to simulate time periods beginning with any future date, including without limitation December 31, 1999. Nothing in this warranty may be construed to limit any rights or remedies the Postal Service may otherwise have under this contract with regard to Year 2000 compliance or any other defects or failures.

### A.13 CLAIMS AND DISPUTES

a. This contract is subject to the Contract Disputes Act of 1978 (41 U.S.C. 601-613) ("the Act").

b. Except as provided in the Act, all disputes arising under or relating to this contract must be resolved under this clause.

c. "Claim," as used in this clause, means a written demand or written assertion by one of the contracting parties seeking, as a matter of right, the payment of money in a sum certain, the adjustment or interpretation of contract terms, or other relief arising under or relating to this contract. However, a written demand or written assertion by the contractor seeking the payment of money exceeding \$100,000 is not a claim under the Act until certified as required by subparagraph d.2 below. A voucher, invoice, or other routine request for payment that is not in dispute when submitted is not a claim under the Act. The submission may be converted to a claim under the Act by complying with the submission and certification requirements of this clause, if it is disputed either as to liability or amount or is not acted upon in a reasonable time.

d.

1. A claim by the contractor must be made in writing and submitted to the contracting officer for a written decision. A claim by the Postal Service against the contractor is subject to a written decision by the contracting officer.

2. For contractor claims exceeding \$100,000, the contractor must submit with the claim the following certification:

"I certify that the claim is made in good faith, that the supporting data are accurate and complete to the best of my knowledge and belief, that the amount requested accurately reflects the contract adjustment for which the contractor believes the Postal Service is liable, and that I am duly authorized to certify the claim on behalf of the contractor."

3. The certification may be executed by any person duly authorized to bind the contractor with respect to the claim.

e. For contractor claims of \$100,000 or less, the contracting officer must, if requested in writing by the contractor, render a decision within 60 days of the request. For contractor-certified claims over \$100,000, the contracting officer must, within 60 days, decide the claim or notify the contractor of the date by which the decision will be made.

f. The contracting officer's decision is final unless the contractor appeals or files a suit as provided in the Act.

g. When a claim is submitted by or against a contractor, the parties by mutual consent may agree to use an alternative dispute resolution (ADR) process to assist in resolving the claim. A certification as described in

d(2) of this clause must be provided for any claim, regardless of dollar amount, before ADR is used.

h.. The Postal Service will pay interest on the amount found due and unpaid from:

1. The date the contracting officer receives the claim (properly certified if required); or

2. The date payment otherwise would be due, if that date is later, until the date of payment.

i. Simple interest on claims will be paid at a rate determined in accordance with the Interest clause.

j. The contractor must proceed diligently with performance of this contract, pending final resolution of any request for relief, claim, appeal, or action arising under the contract, and comply with any decision of the contracting officer.

### A.14 AFFIRMATIVE ACTION FOR HANDICAPPED WORKERS

The following clause is applicable if this contract provides for payments aggregating \$2,500 or more.

a. The contractor may not discriminate against any employee or applicant because of physical or mental handicap, in regard to any position for which the employee or applicant is qualified. The contractor agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified handicapped individuals without discrimination in all employment practices, such as employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training (including apprenticeship).

b. The contractor agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Rehabilitation Act of 1973, as amended.

c. In the event of the contractor's noncompliance with this clause, action may be taken in accordance with the rules and regulations and relevant orders of the Secretary of Labor.

d. The contractor agrees to post in conspicuous places, available to employees and applicants, notices in a form to be prescribed by the Director, Office of Federal Contract Compliance Programs, provided by or through the contracting officer. These notices state the contractor's obligation under the law to take affirmative action to employ and advance in employment qualified handicapped employees and applicants, and the rights of applicants and employees.

e. The contractor must notify each union or worker's representative with which it has a collective bargaining agreement or other understanding that the contractor is bound by the terms of section 503 of the Act and is committed to taking affirmative action to employ, and advance in employment, handicapped individuals.

f. The contractor must include this clause in every subcontract or purchase order over \$2,500 under this contract unless exempted by rules, regulations, or orders of the Secretary issued pursuant to section 503 of the Act, so its provisions will be binding upon each subcontractor or vendor. The contractor must take such action with respect to any subcontract or purchase order as the Director of the Office of Federal Contract Compliance Programs may direct to enforce in these provisions, including action for noncompliance.

**A.15 AFFIRMATIVE ACTION FOR DISABLED VETERANS AND VETERANS OF THE VIETNAM ERA**

If this contract provides for payments aggregating \$10,000 or more, the following clause is applicable.

- a. The contractor may not discriminate against any employee or applicant because that employee or applicant is a disabled veteran or veteran of the Vietnam era, in regard to any position for which the employee or applicant is qualified. The contractor agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified disabled veterans and veterans of the Vietnam era without discrimination in all employment practices, such as employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training (including apprenticeship).
- b. The contractor agrees to list all employment openings which exist at the time of the execution of this contract and those which occur during the performance of this contract, including those not generated by this contract and including those occurring at an establishment of the contractor other than the one where the contract is being performed, but excluding those of independently operated corporate affiliates, at an appropriate local office of the state employment service where the opening occurs. State and local government agencies holding Postal Service contracts of \$10,000 or more will also list their openings with the appropriate office of the state employment service.
- c. Listing of employment openings with the employment service system will be made at least concurrently with the use of any other recruitment source or effort and will involve the normal obligations attaching to the placing of a bona fide job order, including the acceptance of referrals of veterans and non-veterans. The listing of employment openings does not require the hiring of any particular applicant or hiring from any particular group of applicants, and nothing herein is intended to relieve the contractor from any other requirements regarding nondiscrimination in employment.
- d. Whenever the contractor becomes contractually bound to the listing provisions of this clause, it must advise the employment service system in each State where it has establishments of the name and location of each hiring location in the State. The contractor may advise the State system when it is no longer bound by this clause.
- e. Paragraphs b, c, and d above do not apply to openings the contractor proposes to fill from within its own organization or under a customary and traditional employer/union hiring arrangement. But this exclusion does not apply to a particular opening once the contractor decides to consider applicants outside its own organization or employer/union arrangements for that opening.
- f. Definitions
  1. All Employment Openings. This includes all positions except executive and top management, those positions that will be filled from within the contractor's organization, and positions lasting three days or less. This also includes full-time employment, temporary employment of more than three days duration, and part-time employment. Under the most compelling circumstances, an employment opening may not be suitable for listing, including situations in which the needs of the Postal Service cannot reasonably be otherwise supplied, when listing would be contrary to national security, or when listing would not be in the best interest of the Postal Service.
  2. Appropriate Office of the State Employment Service. This means the local office of the federal/state national system of public employment offices with assigned responsibility for serving the area

where the employment opening is to be filled, including the District of Columbia, Guam, the Commonwealth of Puerto Rico, and the Virgin Islands.

3. Positions That Will be Filled From Within the Contractor's Own Organization. This means employment openings for which no consideration will be given to persons outside the contractor's organization (including any affiliates, subsidiaries and parent companies) and includes any openings which the contractor proposes to fill from regularly established recall lists.
4. Openings the Contractor Proposes to Fill Under a Customary and Traditional Employer/Union Hiring Arrangement. Employment openings the contractor proposes to fill from union halls as part of the customary and traditional hiring relationship existing between it and representatives of its employees.
- g. The contractor agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Vietnam Era Veterans Readjustment Assistance Act of 1972, as amended.
- h. In the event of the contractor's noncompliance with this clause, action may be taken in accordance with the rules, regulations, and relevant orders of the Secretary.
- i. The contractor agrees to post in conspicuous places, available to employees and applicants, notices in a form to be prescribed by the Director, Office of Federal Contract Compliance Programs, provided by or through the contracting officer. These notices state the contractor's obligation under the law to take affirmative action to employ and advance in employment qualified disabled veterans and veterans of the Vietnam era, and the rights of applicants and employees.
- j. The contractor must notify each union or workers' representative with which it has a collective bargaining agreement or other understanding that the contractor is bound by the terms of the Act and is committed to taking affirmative action to employ, and advance in employment, qualified disabled veterans and veterans of the Vietnam era.
- k. The contractor must include this clause in every subcontract or purchase order of \$10,000 or more under this contract unless exempted by rules, regulations, or orders of the Secretary issued pursuant to the Act, so its provisions will be binding upon each subcontractor or vendor. The contractor must take such action with respect to any subcontract or purchase order as the Director of the Office of Federal Contract Compliance Programs may direct to enforce in these provisions, including action for noncompliance.

**A.16 GRATUITIES OR GIFTS**

- a. The Postal Service may terminate this contract for default if, after notice and a hearing, the Postal Service Board of Contract Appeals determines that the contractor or the contractor's agent or other representative:
  1. Offered or gave a gratuity or gift (as defined in 5 CFR 2635) to an officer or employee of the Postal Service; and
  2. Intended by the gratuity to obtain a contract or favorable treatment under a contract.
- b. The rights and remedies of the Postal Service provided in this clause are in addition to any other rights and remedies provided by law or under this contract.

**A.17 HAZARDOUS/TOXIC CONDITIONS CLAUSE**

"Asbestos containing building material" (ACBM) means any material containing more than 1% asbestos as determined by using the method

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specified in 40 CFR Part 763, Subpart E, Appendix E. "Friable asbestos material" means any ACBM that when dry, can be crumbled, pulverized, or reduced to powder by hand pressure.

The Lessor must identify and disclose the presence, location and quantity of all ACBM or presumed asbestos containing material (PACM) which includes all thermal system insulation, sprayed on and troweled on surfacing materials, and asphalt and vinyl flooring material unless such material has been tested and identified as non-ACBM. The Lessor agrees to disclose any information concerning the presence of lead-based paint, radon above 4 pCi/L, and lead piping or solder in drinking water systems in the building, to the Postal Service.

Sites cannot have any contaminated soil or water above applicable federal, state or local action levels or undisclosed underground storage tanks. Unless due to the act or negligence of the Postal Service, if contaminated soil, water, underground storage tanks or piping or friable asbestos material or any other hazardous/toxic materials or substances as defined by applicable Local, State or Federal law is subsequently identified on the premises, the Lessor agrees to remove such materials or substances upon notification by the U. S. Postal Service at Lessor's sole cost and expense in accordance with EPA and/or State guidelines. If ACBM is subsequently found in the building which reasonably should have been determined, identified, or known to the Lessor, the Lessor agrees to conduct, at Lessor's sole expense, an asbestos survey pursuant to the standards of the Asbestos Hazard Emergency Response Act (AHERA), establish an Operations and Maintenance (O&M) plan for asbestos management, and provide the survey report and plan to the Postal Service. If the Lessor fails to remove any friable asbestos or hazardous/toxic materials or substances, or complete an AHERA asbestos survey and O&M plan, the Postal Service has the right to accomplish the work and deduct the cost plus administrative costs, from future rent payments or recover these costs from Lessor by other means, or may, at its sole option, cancel this Lease. In addition, the Postal Service may proportionally abate the rent for any period the premises, or any part thereof, are determined by the Postal Service to have been rendered unavailable to it by reason of such condition.

The remainder of this clause applies if this Lease is for premises not previously occupied by the Postal Service.

By execution of this Lease the Lessor certifies:

1. the property and improvements are free of all contamination from petroleum products or any hazardous/toxic or unhealthy materials or substances, including friable asbestos materials, as defined by applicable State or Federal law;
2. there are no undisclosed underground storage tanks or associated piping, ACBM, radon, lead-based paint, or lead piping or solder in drinking water systems, on the property; and
3. it has not received, nor is it aware of, any notification or other communication from any governmental or regulatory entity concerning any environmental condition, or violation or potential violation of any local, state, or federal environmental statute or regulation, existing at or adjacent to the property.

The Lessor hereby indemnifies and holds harmless the Postal Service and its officers, agents, representatives, and employees from all claims, loss, damage, actions, causes of action, expense, fees and/or liability resulting from, brought for, or on account of any violation of this clause.

#### A.18 ADVERTISING OF CONTRACT AWARDS

Except with the contracting officer's prior approval, the contractor agrees not to refer in its commercial advertising to the fact that it was awarded a

Postal Service contract or to imply in any manner that the Postal Service endorses its products.

#### A.19 RECORDING

This agreement or a memorandum hereof, must be recorded at the expense of the Lessor. Such expense includes all fees required for or incident to recording. If the Lessor fails to record the Lease, or a memorandum thereof, the Postal Service may record the Lease or a memorandum thereof, and deduct all costs associated therewith from future rents.

#### A.20 SUBLEASE

The Postal Service may sublet all or any part of the premises or assign this lease but shall not be relieved from any obligation under this lease by reason of any subletting or assignment.

#### A.21 ALTERATIONS

The Postal Service shall have the right to make alterations, attach fixtures and erect additions, structures or signs in or upon the premises hereby leased (provided such alterations, additions, structures, or signs shall not be detrimental to or inconsistent with the rights granted to other tenants on the property or in the building in which said premises are located); which fixtures, additions or structures so placed in, upon or attached to the said premises shall be and remain the property of the Postal Service and may be removed or otherwise disposed of by the Postal Service. Prior to expiration or termination of this lease the Postal Service may remove such alterations and improvements and restore the premises to as good condition as that existing at the time of entering upon the same under the lease, reasonable and ordinary wear and tear and damages by the elements or by circumstances over which the Postal Service has no control, excepted. If however, at the expiration or termination of the lease or any renewal or extension thereof, the Postal Service elects not to remove such alterations and/or improvements, said alterations and/or improvements shall become the property of the Lessor and any rights of restoration are waived.

#### A.22 APPLICABLE CODES AND ORDINANCES

The Lessor, as part of the rental consideration, agrees to comply with all codes and ordinances applicable to the ownership and operation of the building in which the rented space is situated and to obtain all necessary permits and related items at no cost to the Postal Service.

#### A.23 DAMAGE OR DESTRUCTION OF PREMISES

If the demised premises or any portion thereof are damaged or destroyed by fire or other casualty, Acts of God, of a public enemy, riot or insurrection or are otherwise determined by the Postal Service to be unfit for use and occupancy, the Postal Service may:

- a. terminate this lease as of the date the premises become unfit for use and occupancy, or
- b. require the Lessor to repair or rebuild the premises as necessary to restore them to tenantable condition to the satisfaction of the Postal Service. For any period the premises, or any part thereof, are unfit for use and occupancy, the rent will be abated in proportion to the area determined by the Postal Service to be untenable. Unfitness for use does not include unsuitability arising from such causes as design, size, or location of the premises, or
- c. accomplish all repair necessary for postal occupancy and deduct all such costs, plus administrative burden from future rents.

P BK 92 PG 131**A.24 LESSOR OBLIGATIONS**

The Lessor's obligations regarding the services to be provided are further defined as follows:

- a. If heating system and fuel are furnished - Lessor must furnish heating system together with all fuel required for proper operation of the system during the continuance of the Lease. The system must be in good working order and, if maintained by the Lessor, will be maintained in accordance with the Maintenance Rider attached hereto. Any Investigative or remediation cost associated with a release of fuel from the system, including any fuel tank, shall be the responsibility of the Lessor, unless the release is caused by the act or negligence of the Postal Service.
- b. If heat is furnished - Lessor must maintain a uniform heating temperature of 65 degrees F. in all enclosed portions of the demised premises during the continuance of the Lease.
- c. If heating system is furnished - Lessor must furnish heating system in good working order and, if maintained by Lessor, will be maintained in accordance with the Maintenance Rider attached hereto. Any Investigative or remediation cost associated with a release of fuel from the system, including any fuel tank, shall be the responsibility of the Lessor, unless the release is caused by the act or negligence of the Postal Service.
- d. If lighting fixtures and power are furnished - Lessor must provide light fixtures in good working order as well as pay all recurring electric bills.
- e. If light fixtures are furnished - Lessor must provide light fixtures in good working order.
- f. If electricity is furnished - Lessor must pay for all recurring electric bills and furnish the electrical system during the continuance of the Lease.
- g. If electrical system is furnished - Lessor must furnish an electrical system in good working order having a separate electrical meter.
- h. If water system and water service are furnished - Lessor must furnish a water system in good working order and pay for all recurring water bills during the continuance of the Lease.
- i. If water system is furnished - Lessor must furnish a water system in good working order with separate water meter.
- j. If sewerage system and sewerage service is furnished - Lessor agrees to furnish sewerage systems including all equipment, piping, plumbing, lines, connections, septic tanks, field lines and related devices, as necessary and to pay all charges, fees and other costs for such system and services during the continuance of the Lease.
- k. If sewerage system is furnished - Lessor agrees to furnish sewerage systems including all equipment, piping, plumbing, lines, connections, septic tanks, field lines, and related devices, as necessary during the continuance of the Lease.
- l. **Future Availability of Public Water and/or Sewerage Services** - Regardless of Lessor's responsibility for water and/or sewerage under this Lease, if public water and/or sewerage services are not currently available, but become available in the future, the Lessor agrees to accomplish connection, maintain, and pay all fees and costs involved in connecting the building system to the public water and/or sewerage systems. After connection, the Postal Service agrees to pay recurring charges for water consumption and use of sewerage services. If

connection of such services is optional, the Postal Service will determine if the connection is to be made by the Lessor.

m. If air-conditioning equipment and operating power are provided - Lessor must furnish air-conditioning equipment together with all power required for proper operation of the equipment during the continuance of the Lease. The equipment must be in good working order and, if maintained by the Lessor, will be maintained in accordance with the Maintenance Rider attached hereto.

n. If air-conditioning equipment is furnished - Lessor must furnish air conditioning equipment in the demised premises in good working order and, if maintained by Lessor, will be maintained in accordance with the Maintenance Rider included attached hereto.

o. If air-conditioning is furnished - Lessor must maintain a uniform temperature of no greater than 78 degrees F. in all enclosed portions of the demised premises and be responsible for servicing of the air conditioning equipment including, but not limited to, the replacement of necessary filters and refrigerant as required for proper operation of the equipment together with power, water and other services for its operation.

**A.25 LESSOR'S SUCCESSORS**

The terms and provisions of this Lease and the conditions herein are binding on the Lessor, and all heirs, executors, administrators, successors, and assigns.

**A.26 RESERVED****A.27 DAVIS-BACON ACT**

The following is applicable if this agreement covers premises of net interior space in excess of 6,500 square feet and involves construction work over \$2,000.00.

**a. Minimum Wages**

1. All mechanics and laborers employed in the contract work (other than maintenance work of a recurring, routine nature necessary to keep the building or space in condition to be continuously used at an established capacity and efficiency for its intended purpose) must be paid unconditionally, and not less than once a week, without deduction or rebate (except for deductions permitted by the Copeland Regulations (29 CFR Part 3)), the amounts due at the time of payment computed at rates not less than the aggregate of the basic hourly rates and rates of payments, contributions, or costs for any fringe benefits contained in the wage-determination decision of the Secretary of Labor, attached hereto, regardless of any contractual relationship alleged to exist between the Lessor, or subcontractor and these laborers and mechanics. A copy of the wage-determination decision must be kept posted by the Lessor at the site of the work in a prominent place where it can easily be seen by the workers.

2. The Lessor may discharge its obligation under this clause to workers in any classification for which the wage-determination decision contains:

(a) Only a basic hourly rate of pay, by making payment at not less than that rate, except as otherwise provided in the Copeland Regulations (29 CFR Part 3); or

(b) Both a basic hourly rate of pay and fringe-benefit payments, by paying in cash, by irrevocably contributing to a fund, plan, or program for, or by assuming an enforceable commitment to bear

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the cost of, bona fide fringe benefits contemplated by 40 U.S.C. 276a, or by a combination of these.

3. Contributions made, or costs assumed, on other than a weekly basis (but not less often than quarterly) are considered as having been constructively made for a weekly period. When a fringe benefit is expressed in a wage determination in any manner other than as an hourly rate and the Lessor pays a cash equivalent or provides an alternative fringe benefit, the Lessor must furnish information with the Lessor's payrolls showing how the Lessor determined that the cost incurred to make the cash payment or to provide the alternative fringe benefit is equal to the cost of the wage-determination fringe benefits. When the Lessor provides a fringe benefit different from that contained in the wage determination, the Lessor must show how the hourly rate was arrived at. In the event of disagreement as to an equivalent of any fringe benefit, the contracting officer must submit the question, together with the contracting officer's recommendation, to the Secretary of Labor for final determination.

4. If the contractor does not make payments to a trustee or other third person, the contractor may consider as payment of wages the costs reasonably anticipated in providing bona fide fringe benefits, but only with the approval of the Secretary of Labor pursuant to a written request by the Lessor. The Secretary of Labor may require the Lessor to set aside assets in a separate account, to meet the Lessor's obligations under any unfunded plan or program.

5. The contracting officer will require that any class of laborers or mechanics not listed in the wage-determination but to be employed under the contract will be classified in conformance with the wage-determination and report the action taken to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, D.C. 20210-0001, for approval. The contracting officer will approve an additional classification and wage rate and fringe benefits therefor only if:

(a) The work to be performed by the classification requested is not performed by a classification in the wage-determination;

(b) The classification is utilized in the area by the construction industry; and

(c) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

6. If the Lessor, the laborers or mechanics to be employed in the classification or their representatives, and the contracting officer do not agree on the proposed classification and wage rate and fringe benefits therefor, the contracting officer must submit the question, together with the views of the interested parties and the contracting officer's recommendation, to the Wage and Hour Administrator for final determination. The Administrator or authorized representative will, within 30 days of receipt, approve, modify, or disapprove every proposed additional classification action, or issue a final determination if the parties disagree, and so advise the contracting officer or advise that additional time is necessary. The final approved wage rate (and fringe benefits if appropriate) must be paid to all workers performing work in the classification under the contract from the first day work is performed in the classification. The Lessor will post a copy of the final determination of the conformance action with the wage-determination determination at the site of the work. (The Department of Labor information collection and reporting requirements contained in subparagraph a.5 above and in this subparagraph a.6 have been approved by the Office of Management and Budget under OMB control number 1215-0140.)

**b. Apprentices and Trainees**

1. Apprentices may be permitted to work only when

(a) registered, individually, under a bona fide apprenticeship program registered with a State apprenticeship agency recognized by the Bureau of Apprenticeship and Training, U.S. Department of Labor, or, if no such recognized agency exists in a state, under a program registered with the Bureau of Apprenticeship and Training; or

(b) if not individually registered in the program, certified by the Bureau of Apprenticeship and Training or state agency (as appropriate) to be eligible for probationary employment as an apprentice. Trainees may be permitted to work only if individually registered in a program approved by the Employment and Training Administration, U.S. Department of Labor.

2. The ratio of apprentices to journeymen or trainees to journeymen in any craft classification must not be greater than that permitted for the Lessor's entire work force under the registered apprenticeship or trainee program. Apprentices and trainees must be paid at least the applicable wage rates and fringe benefits specified in the approved apprenticeship or trainee program for the particular apprentice's or trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage-determination. If the apprenticeship or trainee program does not specify fringe benefits, apprentices or trainees must be paid in the full amount of fringe benefits listed on the wage-determination for the applicable classification unless the Administrator of Wage and Hour Division determines that a different practice prevails. Any employee listed on a payroll at an apprentice or trainee wage rate not registered, or performing work on the job site in excess of the ratio permitted under the registered program, must be paid the wage rate on the wage determination for the classification of work actually performed.

3. If the Bureau of Apprenticeship and Training or State agency recognized by the Bureau (as appropriate) withdraws approval of an apprenticeship program, or if the Employment and Training Administration withdraws approval of a trainee program, the contractor will no longer be permitted to utilize apprentices or trainees (as appropriate) at less than the applicable predetermined rate for the work performed until an acceptable program is approved. (See 29 CFR 5.16 for special provisions that apply to training plans approved or recognized by the Department of Labor prior to August 20, 1975.)

4. The utilization of apprentices, trainees, and journeymen must be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR Part 30.

**c. Overtime Compensation**

1. The Lessor may not require or permit any laborer or mechanic employed on any work under this contract to work more than 40 hours in any workweek on work subject to the provisions of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333), unless the laborer or mechanic receives compensation at a rate not less than one-and-one-half times the laborer's or mechanic's basic rate of pay for all such hours worked in excess of 40 hours.

2. For violations of subparagraph c.1 above, the Lessor is liable for liquidated damages, which will be computed for each laborer or mechanic at \$10 for each day on which the employee was required or permitted to work in violation of subparagraph c.1 above.

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3. The contracting officer may withhold from the Lessor sums as may administratively be determined necessary to satisfy any liabilities of the Lessor for unpaid wages and liquidated damages pursuant to subparagraph c.2 above.

**d. Payroll and Other Records**

1. For all laborers and mechanics employed in the work covered by this clause, the Lessor must maintain payrolls and related basic records and preserve them for a period of three years after contract completion. The records must contain the name, address, and social security number of each employee, the employee's correct classification, rate of pay (including rates of contributions for, or costs assumed to provide, fringe benefits), the daily and weekly number of hours worked, deductions made, and actual wages paid. Whenever the Lessor has obtained approval from the Secretary of Labor to assume a commitment to bear the cost of fringe benefits under subparagraph a.4 above, the Lessor must maintain records showing the commitment and its approval, communication of the plan or program to the employees affected, and the costs anticipated or incurred under the plan or program. Lessors employing apprentices or trainees under approved programs must maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs. (The Department of Labor information collection and record keeping requirements in this subparagraph d.1 have been approved by the Office of Management and Budget under OMB control numbers 1215-0140 and 1215-0017).

2. The Lessor must submit weekly, for each week in which any work covered by this clause is performed, a copy of all payrolls to the contracting officer. The Lessor is responsible for the submission of copies of payrolls of all subcontractors. The copy must be accompanied by a statement signed by the Lessor indicating that the payrolls are correct and complete, that the wage rates contained in them are not less than those determined by the Secretary of Labor, and that the classifications set forth for each laborer or mechanic conform with the work the laborer or mechanic performed. Submission of the Weekly Statement of Compliance (see 29 CFR 5.5(a)(3)(ii)) required under this agreement satisfies this requirement. As required by this clause, the Lessor must submit a copy of any approval by the Secretary of Labor. (The Department of Labor information collection and reporting requirements in this subparagraph d.2 have been approved by the Office of Management and Budget under OMB control number 1215-0149.)

3. The Lessor's records required under this clause must be available for inspection by authorized representatives of the contracting officer and the Department of Labor, and the Lessor must permit the representative to interview employees during working hours on the job.

4. The Lessor must comply with the Copeland Regulations of the Secretary of Labor (29 CFR Part 3), which are hereby incorporated in this contract by reference.

**e. Withholding of Funds.** The contracting officer may withhold from the Lessor under this or any other contract with the Lessor so much of the accrued payments or advances as is considered necessary to pay all laborers and mechanics the full amount of wages required by this contract or any other contract subject to the Davis-Bacon prevailing wage requirements that is held by the Lessor.

**f. Subcontracts**

1. If the Lessor or any subcontractor fails to pay any laborer or mechanic employed on the site of the work any of the wages

required by the contract, the contracting officer may, after written notice to the lessor, suspend further payments or advances to the lessor until violations have ceased.

2. The lessor agrees to insert this clause, including this paragraph f, in all subcontracts hereunder. The term "lessor" as used in this clause in any subcontract, is deemed to refer to the lower-tier subcontractor.

9. Compliance with Davis-Bacon and Related Acts Requirements. All rulings and interpretations of the Davis-Bacon Act and related acts contained in 29 CFR Parts 1, 3, and 5 are hereby incorporated by reference in this contract.

**h. Certification of Eligibility**

1. By entering into this contract, the lessor certifies that neither it or any person or firm having an interest in the lessor is ineligible to be awarded contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

2. No part of this contract will be subcontracted to any person or firm ineligible for contract award by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

3. The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

i. Contract Termination and Debarment. A breach of this Davis-Bacon Act clause may be grounds for termination of the contract and debarment as a contractor and subcontractor as provided in 29 CFR 5.12.

j. Disputes Concerning Labor Standards. Disputes arising out of the labor standards provisions of this contract are not subject to the Claims and Disputes clause. They will be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR Parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the lessor (or any of its subcontractors) and the Postal Service, the U.S. Department of Labor, or the employees or their representatives.

**A.28 BANKRUPTCY**

In the event the Lessor enters into proceedings relating to bankruptcy, whether voluntary or involuntary, the Lessor will furnish, by certified mail, written notification of the bankruptcy to the contracting officer responsible for administering the contract. The notification must be furnished within five days of the initiation of the bankruptcy proceedings. The notification must include the date on which the bankruptcy petition was filed, the court in which the petition was filed, and a list of Postal Service contracts and contracting officers for all Postal Service contracts for which final payment has not yet been made. This obligation remains in effect until final payment under this contract.

P BK 92 PG 134**SECTION B****B.1 TYPE OF BUSINESS ORGANIZATION**

The offeror, by checking the applicable blocks, represents that it:

a. Operates as ☐ a corporation incorporated under the laws of the State of \_\_\_\_\_, ☒ an individual, ☐ a partnership, ☐ a joint venture, ☐ a non-profit organization, or ☐ an educational institution; and

b. Is a ☒ small business concern, ☐ minority-owned business, ☐ woman-owned business, ☐ labor surplus area concern, ☐ educational or other non-profit organization, or ☐ none of the above entities.

c. **SMALL BUSINESS CONCERN.** A small business concern for the purposes of Postal Service procurement is a concern, including its affiliates, which is independently owned and operated, is not dominant in the field of operations in which it is submitting an offer, and is of a size consistent with the standards set forth by SBA in CFR Part 121, or if no standard has been established, then of a size employing not more than 500 employees. (Also see USPS Procurement Manual, Chapter 10, Section 1.)

d. **MINORITY-OWNED BUSINESS.** A minority-owned business is a concern that is at least 51 percent owned by, and whose management and daily business operations are controlled by, one or more members of a socially and economically disadvantaged minority group, namely U.S. citizens who are black Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, or Asian-Indian Americans. ("Native Americans" means American Indians, Eskimos, Aleuts, and native Hawaiians. "Asian-Pacific Americans" means those whose origins are in Japan, China, the Philippines, Vietnam, Korea, Samoa, Guam, the U.S. Trust Territories of the Pacific Islands, the Northern Marianas Islands, Laos, Kampuchea, or Taiwan. "Asian-Indian Americans" means those whose origins are in India, Pakistan, or Bangladesh.)

e. **WOMAN-OWNED BUSINESS.** A woman-owned business is a business which is at least 51 percent owned, controlled, and operated by a woman or women. Controlled is defined as exercising the power to make policy decisions. Operated is defined as actively involved in the day-to-day management.

f. **LABOR SURPLUS AREA.** A geographical area which at the time of award is either a section of concentrated unemployment or underemployment, a persistent labor surplus area, or a substantial labor surplus area, as defined in this paragraph.

1. Section of concentrated unemployment or underemployment means appropriate sections of States or labor areas so classified by the Secretary of Labor.

2. Persistent labor surplus area means an area which is classified by the Department of Labor as an area of substantial and persistent labor surplus (also called Area of Substantial and Persistent Unemployment) and is listed as such by that Department in conjunction with its publication, Area Trends in Employment and Unemployment.

3. Substantial labor surplus area means an area which is classified by the Department of Labor as an area of substantial labor surplus (also called Area of Substantial Unemployment) and which is listed as such by that Department in conjunction with its publication, Area Trends in Employment and Unemployment.

g. **LABOR SURPLUS AREA CONCERN.** A firm which will perform or cause to be performed a substantial proportion of a contract in a labor surplus area.

h. **EDUCATIONAL OR OTHER NON-PROFIT ORGANIZATION.** Any corporation, foundation, trust, or other institution operated for scientific or educational purposes, not organized for profit, no part of the net earnings of which inures to the profits of any private shareholder or individual.

**B.2 PARENT COMPANY AND TAXPAYER IDENTIFICATION NUMBER**

a. A parent company is one that owns or controls the basic business policies of an offeror. To own means to own more than 50 percent of the voting rights in the offeror. To control means to be able to formulate, determine, or veto basic business policy decisions of the offeror. A parent company need not own the offeror to control it; it may exercise control through the use of dominant minority voting rights, proxy voting, contractual arrangements, or otherwise.

b. Enter the offeror's Taxpayer Identification Number (TIN) in the space provided. The TIN is the offeror's Social Security Number or other Employee Identification Number used on the offeror's Quarterly Federal Tax Return, U.S. Treasury Form 941.

Offeror's TIN: 44-74-9125

c. ☐ Check this block if the offeror is owned or controlled by a parent company.



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d. If the block above is checked, provide the following information about the parent company:

Parent Company's Name: \_\_\_\_\_  
Parent Company's Main Office Address: \_\_\_\_\_  
No. and Street: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_  
Parent Company's TIN: \_\_\_\_\_

e. If the offeror is a member of an affiliated group that files its federal income tax return on a consolidated basis (whether or not the offeror is owned or controlled by a parent company, as provided above) provide the name and TIN of the common parent of the affiliated group:

Name of Common Parent: \_\_\_\_\_  
Common Parent's TIN: \_\_\_\_\_

### B.3 CERTIFICATE OF INDEPENDENT PRICE DETERMINATION

a. By submitting this proposal, the offeror certifies, and in the case of a joint proposal each party to it certifies as to its own organization, that in connection with this solicitation:

1. The prices proposed have been arrived at independently, without consultation, communication, or agreement, for the purpose of restricting competition, as to any matter relating to the prices with any other offeror or with any competitor;
2. Unless otherwise required by law, the prices proposed have not been and will not be knowingly disclosed by the offeror before award of a contract, directly or indirectly to any other offeror or to any competitor; and
3. No attempt has been made or will be made by the offeror to induce any other person or firm to submit or not submit a proposal for the purpose of restricting competition.

b. Each person signing this proposal certifies that:

1. He or she is the person in the offeror's organization responsible for the decision as to the prices being offered herein and that he or she has not participated, and will not participate, in any action contrary to paragraph a above; or
2. He or she is not the person in the offeror's organization responsible for the decision as to the prices being offered but that he or she has been authorized in writing to act as agent for the persons responsible in certifying that they have not participated, and will not participate, in any action contrary to paragraph a above, and as their agent does hereby so certify; and he or she has not participated, and will not participate, in any action contrary to paragraph a above.

c. Modification or deletion of any provision in this certificate may result in the rejection of the proposal as unacceptable. Any modification or deletion should be accompanied by a signed statement explaining the reasons and describing in detail any disclosure or communication.

### B.4 CONTINGENT FEE REPRESENTATION

a. The offeror must complete the following representations:

1. The offeror ☐ has ☒ has not employed or retained any company or person (other than a full-time bona fide employee working solely for the offeror) to solicit or secure this contract.
2. The offeror ☐ has ☒ has not paid or agreed to pay any company or person (other than a full-time bona fide employee working solely for the offeror) any fee, commission, percentage, or brokerage fee, contingent upon or resulting from the award of this contract.

b. If either representation is in the affirmative, or upon request of the contracting officer, the offeror must furnish, in duplicate, a completed Form 7319, "Contractor's Statement of Contingent or Other Fees," and any other information requested by the contracting officer. If the offeror has previously furnished a completed Form 7319 to the office issuing this solicitation, it may accompany its proposal with a signed statement--

1. Indicating when the completed form was previously furnished;
2. Identifying the number of the previous solicitation or contract, if any, in connection with which the form was submitted; and
3. Representing that the statement on the form is applicable to this proposal.

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c. Licensed real estate agents or brokers having listings on property for rent, in accordance with general business practice, and who have not obtained such licenses for the sole purpose of effecting this lease, may be considered as bona fide employees or agencies within the exception contained in this clause.

### **B.5 CERTIFICATION OF NONSEGREGATED FACILITIES**

a. By submitting this proposal, the offeror certifies that it does not and will not maintain or provide for its employees any segregated facilities at any of its establishments, and that it does not and will not permit its employees to perform services at any location under its control where segregated facilities are maintained. The offeror agrees that a breach of this certification is a violation of the Equal Opportunity clause in this contract.

b. As used in this certification, "segregated facilities" means any waiting rooms, work areas, rest rooms or wash rooms, restaurants or other eating areas, time clocks, locker rooms or other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, or housing facilities provided for employees that are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, or national origin, because of habit, local custom, or otherwise.

c. The offeror further agrees that (unless it has obtained identical certifications from proposed subcontractors for specific time periods) it will obtain identical certifications from proposed subcontractors before awarding subcontracts exceeding \$10,000 that are not exempt from the provisions of the Equal Opportunity clause; that it will retain these certifications in its files; and that it will forward the following notice to these proposed subcontractors (except when they have submitted identical certifications for specific time periods).

#### **NOTICE**

A certification of nonsegregated facilities must be submitted before the award of a subcontract exceeding \$10,000 that is not exempt from the Equal Opportunity clause. The certification may be submitted either for each subcontract or for all subcontracts during a period (quarterly, semiannually, or annually).

### **B.6 CLEAN AIR AND WATER CERTIFICATION**

a. This certification applies only if (1) the offer exceeds \$100,000, (2) the offer is for an indefinite-quantity and indicates that orders for estimating quantities will exceed \$100,000 in any year, (3) a facility to be used is listed on the EPA List of Violating Facilities because of a criminal conviction, or (4) the contract is not otherwise exempt.

b. The offeror (1) certifies, by checking the applicable box, that any facility to be utilized in the performance of the proposed contract ☐ is, ☐ is not listed on the Environmental Protection Agency List of Violating Facilities as of the date of this proposal, and (2) agrees to notify the contracting officer promptly if any communication is received from the Environmental Protection Agency before contract award indicating that any such facility is under consideration for inclusion on the list.

### **B.7 LEASES BETWEEN THE POSTAL SERVICE AND ITS EMPLOYEES, CONTRACT EMPLOYEES, OR BUSINESS ORGANIZATIONS SUBSTANTIALLY OWNED OR CONTROLLED BY POSTAL SERVICE EMPLOYEES OR CONTRACT EMPLOYEES**

By submitting this proposal, the offeror certifies that the offeror ☐ is, ☒ is not an employee, a personal service contract employee or a member of the immediate family of a Postal Service employee or personal service contract employee OR a business organization (partnership, corporation, joint venture, etc.) substantially owned or controlled by a Postal Service employee, a personal service contract employee, or a member of the immediate family of a Postal Service employee or personal service contract employee. "Immediate family" means spouse, minor child or children, and other individuals related to the employee by blood who are residents of the employee's household.

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## FacilityName/Location

HORN LAKE - MAIN OFFICE (273601-003)  
HORN LAKE, MS 38637-9998DE SOTO COUNTY  
Project: H22904

1. The property leased will contain areas and spaces, improvements and appurtenances furnished as provided in accordance with Postal Service drawing(s), specifications, details and handbooks, including but not limited to Handbook RE-4, Standards for Facility Accessibility by the Physically Handicapped (dated April 19, 1985):  
Per drawings as furnished by Shaw/Walker Architects.  
which are made a part of this Lease.
2. The Offeror agrees that:
- a. Said building and/or said improvements, additions, repairs or remodeling shall be completed to the satisfaction of the Postal Service no later than 270 calendar days nor before 210 calendar days after written notice to proceed is given by the Contracting Officer.
- b. If this Lease is submitted in response to a solicitation for proposals to construct a facility on a site to be acquired from the Postal Service by purchase or ground lease, or by assignment of ground lease, to conclude such purchase or ground lease, or accept assignment of an Assignable Ground Lease, within thirty (30) days from the date of acceptance of this Lease by the Postal Service. If this Lease is submitted in response to a solicitation for proposals to construct a facility on a site on which the Postal Service holds an Assignable Option to Purchase or Ground Lease, to accept an assignment of such option and to exercise same in accordance with its terms within thirty (30) days from the date the Postal Service assigns the option to the offeror or prior to the expiration date of the option, whichever is sooner. The offeror shall record and furnish the Postal Service a copy of the conveyance or ground lease immediately upon its receipt by the offeror.
- c. If Performance and Labor and Material Payment Bonds are required, to submit such bonds within twenty (20) days after acceptance of this Lease by the Postal Service.
- d. This offer shall be binding on the offeror and irrevocable if accepted by the Postal Service within a period of 120 days following the date specified for the receipt of proposals. If no such date has been specified, this Lease shall be binding on the offeror and irrevocable if accepted by the Postal Service within 60 days from the date of execution hereof by the offeror.
3. It is hereby agreed by all parties to this Lease that the fixed term and rent will commence the first day following acceptance by the Postal Service of the completed building and/or any contemplated improvements, additions, repairs or remodeling. Said commencement date will be inserted in the Lease by the Contracting Officer. A copy of the Lease, with the inserted commencement date shall be sent to the Lessor. This Lease will be recorded by the Lessor in accordance with section A.19 of the Lease.
4. The provisions of this Construction Rider, including any and all drawings, specifications, details, handbooks and other attachments made a part of the Lease, hereunder, shall govern in the event of conflict with any other terms and conditions of the Lease.
5. The provisions in paragraph A.9, Assignment of Claims, notwithstanding, this Lease may not be assigned or ownership of the property transferred before commencement of the fixed term, without the prior written consent of the Postal Service.
- 6. TERMINATION FOR DEFAULT - DAMAGES FOR DELAY - TIME EXTENSIONS**
- a. If the contractor refuses or fails to acquire the site, if applicable, or to prosecute the work with such diligence as will ensure its completion within the time specified in this contract, or any extension thereof, or fails to complete said work within such time, the Postal Service may, by written notice to the contractor, terminate his right to proceed with the work. Whether or not the contractor's right to proceed with the work is terminated, he and his sureties are liable for any damage to the Postal Service resulting from his refusal or failure to complete the work within the specified time.
- b. The contractor's right to proceed shall not be so terminated nor the contractor charged with resulting damage if:
- (1) The delay in the completion of the work arises from unforeseeable causes beyond the control and without the fault or negligence of the contractor, including but not restricted to acts of God, acts of the public enemy, acts of Government in either its sovereign or contractual capacity, acts of another contractor in the performance of a contract with the Postal Service, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, unusually severe weather, or delays of subcontractors or suppliers arising from unforeseeable causes beyond the control and without the fault or negligence of both the contractor and such subcontractors or suppliers; and
- (2) The contractor, within 10 days from the beginning of any such delay (unless the contracting officer grants a further period of time before completion and acceptance under the contract), notifies the contracting officer in writing of the causes of delay.
- c. The contracting officer must ascertain the facts and the extent of the delay and extend the time for completing the work when, in his judgment, the findings of facts justify such an extension, and his findings of fact shall be final and conclusive on the parties, subject to appeal as provided in the clause of this contract entitled "Claims and Disputes." Pending final decision on an extension of time hereunder, the contractor must proceed diligently with the performance of the contract and in accordance with the contracting officer's decision. Inability to comply with state, city, or local construction or zoning laws or ordinances, or with restrictive covenants, or obtaining financing shall not be regarded as an unforeseeable cause.
- d. The rights and remedies of the Postal Service provided in this clause are in addition to any other rights and remedies which may be available to the Postal Service by law or under this agreement.

**7. INSPECTION**

a. The Lessor must, without charge, replace any material, correct any workmanship or supply omitted work found by the Postal Service not to comply with the contract requirements, unless in its interest the Postal Service consents to accept such material or workmanship or omitted work with an appropriate adjustment in the rental.

b. The premises and building must be accessible for inspection by the authorized representative of the contracting officer to determine whether contractual requirements are being met during construction and/or acceptance inspection of construction of the facility. Failure of the Postal Service to identify deficient work or materials shall not shift the responsibility for correction of such deficient work or materials to the Postal Service.

c. If the Lessor does not replace rejected material, correct rejected workmanship, or supply omitted work, then in addition to any other remedies available to it, the Postal Service may, by contract or otherwise, replace such material or workmanship, or supply such omitted work and charge the cost thereof to the Lessor by a deduction from the rentals as they accrue.

d. In the absence of a specific agreement, time allowed for completion of any work required under the provisions of this paragraph is limited to thirty (30) days.

e. The Lessor must give the contracting officer at least thirty (30) days advance written notice of the date the work will be fully completed and ready for acceptance inspection and tests; the Lessor shall be charged with any additional costs of inspection when material and workmanship are not ready at the time specified by the Lessor for its inspection.

**8. STORAGE OF EQUIPMENT**

The Postal Service may, without additional compensation, store, assemble, and install Postal Service-owned furnishings and equipment in the premises at any time prior to completion date. Such action by the Postal Service shall not be construed as constituting occupancy under the Lease. Such action must be accomplished in a manner which will not unreasonably interfere with the lessor's completion of work under this agreement.

**9. PAYMENT FOR LABOR AND MATERIALS**

The Lessor agrees to post at the job site in a prominent place, a photostat or certified copy of the bond, where it can easily be seen by all persons who have furnished, or have been requested to furnish labor, material, or both, used or reasonably required for use in the performance of this agreement.

**10. LICENSES, PERMITS, SAFETY, INDEMNIFICATION**

a. The offeror is, without additional expense to the Postal Service, responsible for identifying and complying with zoning requirements, if applicable, obtaining any necessary licenses and permits required for privately owned buildings, and for complying with any applicable federal, state, and municipal laws, codes, and regulations, in connection with the performance required under or related to this contract. The contractor must take proper safety and health precautions to protect the work, the workers, the public and the property of others. The contractor is responsible also for all materials delivered and work performed until completion and acceptance of the entire construction work, except for any completed unit of construction that may have been accepted.

b. The offeror agrees to indemnify and hold harmless, the Postal Service and its officers, agents, representatives, and employees from all claims, loss, damage, actions, causes of action, expense and/or liability, including the cost of defense, resulting from, brought for, or on account of any personal injury or death or property damage received or sustained by any persons or property, growing out of, occurring, or attributable to any work performed under or related to this contract.

**11. COMPLIANCE BY STATES WITH LABOR STANDARDS**

The offeror agrees to comply with the Contract Work Hours and Safety Standards Act - Overtime Compensation and Davis-Bacon Act clauses of this contract, and with applicable OSHA standards, to provide for similar compliance in subcontracts with States or political subdivisions thereof, and to insert the clauses in all subcontracts with private persons or firms.

**12. SITE**

Offerors must examine the site and be thoroughly acquainted with conditions thereon. The Lessor will be responsible for site conditions including but not limited to subsurface or latent physical conditions or unknown physical conditions of an unusual nature differing materially from those ordinarily encountered.

**13. BONDS**

No work or services under this contract may be commenced until required bonds have been furnished and the Lessor has received written notice from the Contracting Officer that the bonds are acceptable; provided, however, that if this agreement provides for assignment to the Lessor of an option to purchase, and if the option would expire prior to the Lessor's submission of bonds and receipt of notice of acceptability, and if the option cannot be extended then the option may be assigned prior to the Lessor's submission of bonds and receipt of notice of acceptability and the Lessor must exercise the option timely and remain obligated to furnish acceptable bonds within the time limit specified in this agreement.

**14. DISPUTES CONCERNING LABOR STANDARDS**

Disputes arising out of the labor standards provisions of this contract will not be subject to the Claims and Disputes clause of this contract. Such disputes must be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR Parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the Lessor (or any of the Lessor's subcontractors) and the contracting agency, the U. S. Department of Labor, or the employees or their representatives.

**15. SAFETY AND HEALTH STANDARDS**

a. Materials, supplies, articles, or equipment manufactured or furnished under this contract or order must conform to the Occupational Safety and Health Standards (29 CFR 1910) pursuant to authority in the Occupational Safety and Health Act of 1970 (OSHA), and to other safety and health requirements specified in this contract or order.

b. If no OSHA standard exists, federal or other nationally recognized standards apply. Copies of current Occupational Safety and Health Standards are available from regional and/or area offices of the U. S. Department of Labor, Occupational Safety and Health Administration.

c. If this contract or order contains a Postal Service standard and an OSHA standard covering the same general area of applicability, the Postal Service standard governs and takes precedence, unless the

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OSHA standard contains more rigorous or stringent safety requirements, in which case the OSHA standard governs and takes precedence.

d. Upon delivery of the first article under the contract or order, or if none, upon delivery of the first production quantity, the contractor must execute a certification in a form acceptable to the contracting officer, attesting to the conformance of the delivered items to the requirements of this clause.

#### **16. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT--OVERTIME COMPENSATION**

If this contract provides for payments aggregating \$2,000 or more, the requirements of this clause apply.

a. *Overtime Requirements.* No contractor or subcontractor contracting for any part of the contract work may require or permit any laborer or mechanic to work more than 40 hours in any workweek on work subject to the provisions of the Contract Work Hours and Safety Standards Act, unless the laborer or mechanic receives compensation at a rate not less than one-and-one-half times the laborer's or mechanic's basic rate of pay for all such hours worked in excess of 40 hours.

b. *Violation, Liability for Unpaid Wages, and Liquidated Damages.* In the event of any violation of paragraph a above, the contractor and any subcontractor responsible for the violation are liable to any affected employee for unpaid wages. The contractor and subcontractor are also liable to the Postal Service for liquidated damages, which will be computed for each laborer or mechanic at \$10 for each day on which the employee was required or permitted to work in violation of paragraph a above.

c. *Withholding for Unpaid Wages and Liquidated Damages.* The contracting officer may withhold from the contractor, from any moneys payable to the contractor or subcontractor under this or any other contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act which is held by the same prime contractor, sums as may administratively be determined necessary to satisfy any liabilities of the contractor or subcontractor for unpaid wages and liquidated damages pursuant to paragraph b above.

d. *Records.* The contractor or subcontractor must maintain for three years from the completion of the contract for each laborer and mechanic (including watchmen and guards) working on the contract payroll records which contain the name, address, social security number, and classification(s) of each such employee, hourly rates of wages paid, number of daily and weekly hours worked, deductions made, and actual wages paid. The contractor or subcontractor must make these records available for inspection, copying, or transcription by authorized representatives of the contracting officer and the Department of Labor, and must permit such representatives to interview employees during working hours on the job. (The Department of Labor information collection and recordkeeping requirements in this paragraph d have been approved by the Office of Management and Budget under OMB control numbers 1215-0140 and 1215-0017.)

e. *Subcontracts.* The contractor must insert paragraphs a through d of this clause in all subcontracts, and must require their inclusion in all subcontracts at any tier.

#### **17. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT--SAFETY STANDARDS**

a. To the extent that the work includes construction, alteration, repair, painting, or decorating, the Lessor may not require any laborer or mechanic to work in surroundings or under conditions that are

unsanitary, hazardous, or dangerous to the laborer's or mechanic's health or safety, as provided under standards promulgated by the Secretary of Labor under the authority of 40 U.S.C. 333 (see 29 CFR 1910 and 1926).

b. If the lessor fails to comply with this clause, the Postal Service, at its discretion, may cancel this Lease, contract for the balance of the work or term, and charge to the Lessor any additional costs incurred.

c. The lessor agrees to insert this clause, including this paragraph c, in all subcontracts and to require its inclusion in all subcontracts at any tier. The term "Lessor," as used in this clause in any subcontract, is deemed to refer to the lower-tier subcontractor.

#### **18. OMISSIONS AND DEFECTS**

If omissions and defects from the contract requirements and approved construction plans remain in the facility on the scheduled Postal Service date of beneficial occupancy, the Postal Service may take beneficial occupancy and notify the offeror in writing of the obligation to complete or correct the remaining deficiencies or defects by a designated date. The offeror must complete or correct the omissions or defects by the designated date or the Postal Service may correct the omissions or defects and deduct the costs thereof from future rental due. If the Postal Service has maintenance responsibilities under this Lease, prior to Postal Service assumption of maintenance responsibility for the leased facility, the Lessor is responsible for correcting/completing all maintenance deficiencies/defects.

#### **19. CONVICT LABOR**

In connection with the work under this contract, the contractor agrees not to employ any person undergoing sentence of imprisonment, except as provided by Public Law 89-176, September 10, 1965 (18 U.S.C. 4082(c)(2)) and Executive Order 11755, December 29, 1973.

#### **20. WARRANTY (CONSTRUCTION)**

a. If the Postal Service has maintenance responsibility under a maintenance rider, the Lessor warrants that all work will be free from defective or inferior materials, equipment, and workmanship.

b. If, within one year of acceptance for beneficial occupancy by the Postal Service, the contracting officer finds that warranted work needs to be repaired or changed because materials, equipment, or workmanship were inferior, defective, or not in accordance with the contract terms, the Lessor must promptly and without additional expense to the Postal Service:

1. Place in a satisfactory condition all of the warranted work;

2. Satisfactorily correct all damage to equipment, the site, the building, or its contents that is the result of such unsatisfactory work; and

3. Satisfactorily correct any work, materials, or equipment disturbed in fulfilling the warranty.

c. Should the Lessor fail to proceed promptly in accordance with the warranty, the Postal Service may have the work performed and deduct the cost thereof from future rental payments.

d. The Lessor must obtain each transferable guarantee or warranty of equipment, materials, or installation furnished by any manufacturer, supplier, or installer in the ordinary course of the business or trade. The Lessor must obtain and furnish to the Postal Service all information required to make any such guarantee or warranty legally binding and

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## Construction Rider - NCL

effective, and must submit both the information and the guarantee or warranty to the Postal Service in sufficient time to permit the Postal Service to meet any time limit requirements specified in the guarantee or warranty or, if no time limit is specified, before completion and acceptance of all work under this contract.

### 21. SPECIFICATIONS AND DRAWINGS

- a. The contractor must keep, at the site, copies of the drawings and specifications and must at all times give the Contracting Officer access to them. Anything mentioned in the specifications and not shown on the drawings, or shown on the drawings and not mentioned in the specifications, is of like effect as if shown or mentioned in both. In case of difference between drawings and specifications, the specifications will govern.
- b. In case of difference between small- and large-scale drawings, the large-scale drawings will govern. Schedules on any contract drawing will take precedence over conflicting information on that or any other contract drawing. On any of the drawings in which a portion of the work is detailed or drawn out and the remainder is shown in outline, the parts detailed or drawn out will apply also to all other like portions of the work.
- c. When the word "similar" appears on drawings, it has a general meaning and must not be interpreted as meaning identical, and all details must be worked out in relation to their location and connection with other parts of the work.
- d. In case of discrepancy either in figures or drawings or specifications, the matter must be promptly submitted to the Contracting Officer, who will promptly make a determination in writing. Any adjustment by the contractor without such a determination will be at the contractor's own risk and expense. The Contracting Officer must furnish from time to time such detailed drawings and other information as may be necessary.

### 22. DESIGN AND APPROVAL REQUIREMENTS

- a. Unless otherwise exempted within this contract, the Lessor must employ the services of an architect-engineer, who is licensed to practice in the state in which the facility is located, to prepare for the approval of the Postal Service, complete specifications and working drawings including architectural, structural, mechanical, electrical and site improvement work for the construction of the facility in accordance with all requirements included in this agreement. All final drawings must bear the appropriate registration seal. All fees or charges required for architect/engineer services, for necessary permits or approvals, for connection charges, or for similar fees incidental to construction of the facility must be at Lessor's sole cost and expense.

- b. All submissions required for approval by the Postal Service must be correlated, checked and signed by a responsible official of the architect-engineer's firm and must be accompanied by a certification in the following format:

"I certify that all phases of this project (1) have been coordinated and checked for accuracy, (2) are complete in accordance with all applicable requirements, and (3) are in compliance with local building codes and Postal Service requirements."

- c. All improvements, including new building(s) and all appurtenances thereto, must be designed and constructed in conformity with all applicable local laws, ordinances, and regulations which relate to construction, safety and sanitation or, in the absence of such codes, ordinances or regulations, in conformity with one of the following codes: Southern Building Code Congress, Southern Standard Building Code; International Conference of Building Officials; Uniform Building Code;

Building Officials Conference of America, Inc., or Basic Building Code. The final drawings must be signed and sealed by the architect-engineer with this statement:

"This building has been designed and must be constructed in strict accordance with the \_\_\_\_\_ building (regulations) (code) dated \_\_\_\_\_."

- d. The minimum requirements established by this agreement must not be construed as lowering the standards established by the local, county, or state laws, ordinances, or regulations. When such local, county or state requirements are more stringent than the minimum requirements set forth in this agreement, the more stringent requirements must govern.

- e. Approval by the Postal Service of any drawings and specifications constitutes approval of general arrangement only and is not to be construed as waiving or changing any requirements set forth in this agreement unless a deviation, waiver or other change is specifically identified and approved by the contracting officer.

- f. The Lessor must be responsible, in all cases, for the proper design and coordination of architectural, structural, plumbing, electrical, heating, ventilation, air conditioning, site elements, etc., for the facility.

- g. Unless otherwise specified, no construction activity at the site may be commenced until the Lessor has received written notice from the contracting officer of approval of final drawings and specifications. Changes or modifications which may be required during construction must be approved in writing by the contracting officer prior to proceeding with such changes.

### 23. PRICING OF ADJUSTMENTS (JANUARY 1997)

When costs are a factor in determining any contract price adjustment under the *Changes* clause or any other provision of this contract, chapter 5 of the *USPS Purchasing Manual* in effect on the date of this contract will serve as a guide in negotiating the adjustment.

### 24. CHANGES (CONSTRUCTION) (JANUARY 1997)

- a. The contracting officer may at any time, without notice to any sureties, by written order designated or indicated to be a change order, make changes in the work within the general scope of the contract, including changes:

- (1) In the specifications (including drawings and designs);
- (2) In the method or manner of performance of the work;
- (3) In the Postal Service-furnished facilities, equipment, materials, services, or site; or
- (4) Directing acceleration in the performance of the work.

- b. Any other written or oral order (which, as used in this paragraph b, includes direction, instruction, interpretation, or determination) from the contracting officer that causes a change will be treated as a change order only if the contractor gives the contracting officer written notice stating (1) the date, circumstances, and source of the order and (2) that the contractor regards the order as a change order. This notification must be delivered to the contracting officer within 30 days of receipt of the change order.

- c. If any change under this clause causes an increase or decrease in the contractor's cost of, or the time required for, the performance of any part of the work under this contract, whether or not changed by any order, the contracting officer will make an equitable adjustment and modify the contract in writing. However, except for claims based on defective specifications, no claim for any change under paragraph b above will be allowed for any costs incurred more than 20 days before

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the contractor gives written notice as required. In the case of defective specifications for which the Postal Service is responsible, the equitable adjustment will include any increased cost reasonably incurred by the contractor in attempting to comply with the defective specifications.

d. No claim by the contractor for an equitable adjustment will be allowed if asserted after acceptance of the completed building by the Postal Service pursuant to this Construction Rider

e. See also *Pricing of Adjustments (January 1997)*

- a. If the Postal Service is assuming maintenance responsibility for the demised premises for the first time, the Lessor must correct all maintenance deficiencies and obtain a written certification from a professional HVAC firm that the heating, ventilating and air conditioning systems have been maintained and are in proper working condition. The Lessor will remain responsible until all deferred maintenance work has been completed to the satisfaction of the Postal Service and Postal Service is in receipt of and accepts the aforementioned written certification.
- b. The term "demised premises" as used in this rider includes the premises described in the Lease, the improvements and appurtenances to such premises and all equipment and fixtures furnished, or to be furnished, by the Lessor under this Lease.
- c. The Postal Service is responsible for ordinary repairs to, and maintenance of the demised premises except for those repairs that are specifically made the responsibility of the Lessor in this Lease. The responsibility of the Postal Service as stated herein will be fulfilled at such time and in such manner as the Postal Service considers necessary to keep the demised premises in proper condition.
- d. The Lessor is responsible for:
- (1) Repairs to all common or joint use areas, common or joint use equipment and fixtures that may be included as part of this Lease.
  - (2) All repairs to structural elements and all parts of the roof system. The term "structural elements" as used in this clause is limited to the foundation, bearing walls, floors (not including floor covering), and column supports. The roof system includes, but is not limited to, the roof covering, flashing and insulation, and roof beams, joists, and deck.
  - (3) Repairs resulting from Acts of God, of a public enemy, riot or insurrection.
  - (4) Inspection, prevention and eradication of termites and any other wood eating insects and for repairs of any damage resulting therefrom.
  - (5) Repairs resulting from defects in building construction or installation of equipment, fixtures, or appurtenances furnished by the Lessor.
  - (6) Repairs resulting from fire or other casualties, unless such casualties were caused by the negligence of employees or agents of the Postal Service.
  - (7) Any ordinary repairs by the Postal Service which were made necessary by the failure of any element for which the Lessor is responsible.
- e. When the need arises for repairs which are the responsibility of the Lessor, including any repairs or actions for which the Lessor is responsible under paragraph a. hereof, the Postal Service will (except in emergencies) give the Lessor written notice of the needed repairs and will specify a reasonable deadline for completion of the work. A copy of such notice will be sent by certified or registered mail to the Lessor's mortgagee and assignee of monies due or to become due pursuant to this Lease whose names and addresses have been furnished to the Postal Service by the Lessor. If none of these parties (lessor, mortgagee or assignee) proceed with the work with such diligence so as to ensure completion within the time specified in the notice (or any extension thereof granted at the sole discretion of the Postal Service) or actually fails to complete the work within said time, the Postal Service has the right to perform the work, by contract or otherwise, and withhold the cost of such work (which may include administrative cost and/or interest) from payments due under this Lease. In addition, the Postal Service may proportionally abate the rent for any period the demised premises, or any part thereof, are determined by the Postal Service to have been rendered unavailable to it by reason of such condition. Alternatively, the Postal Service may, if the demised premises are determined to be unfit for occupancy, at its sole discretion, cancel this Lease without liability.



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Tax Rider  
Reimbursement of Paid Taxes/98

HORN LAKE - MAIN OFFICE (273601-003)  
HORN LAKE, MS 38637-9998

Assessor's Parcel Number:

a. Definitions

Ad Valorem means according to the value of the property.

Property Tax Rate is an amount expressed as dollars and cents per \$100.00 or per \$1,000.00 of assessed value or as mills per \$1.00 of assessed value as set by authorities for tax jurisdictions.

Real Property Taxes, as used in this clause, shall mean those taxes, including *ad valorem* taxes, special assessments, fees and charges, that are assessed against any or all taxable real property appearing on the assessment roll or list in a taxing authority's jurisdiction and that are identified by a taxing authority for the support of government activities within its jurisdiction, whether such activities are general or specific. Real Property Taxes also include administrative charges or fees imposed by a taxing authority for the support of its tax assessment and collection activities.

b. The lessor agrees to pay all taxes of any kind, including Real Property Taxes, special assessments, and charges and fees of every kind and nature levied on the Demised Premises.

c. The Postal Service will reimburse Lessor for paid Real Property Taxes, as defined above, only under the following terms:

1. Lessor may submit not more than one request for reimbursement in any calendar year, irrespective of the number of taxing authorities included; and reimbursement will be made **not more than one time annually by the Postal Service.**
2. No reimbursement will be made for fines, penalties, interest or costs imposed for late payment.
3. Reimbursement will be made only for paid taxes, less the maximum discount allowed by the taxing authority for prompt or early payment, regardless of whether Lessor actually received any such discount.
4. Notwithstanding anything contained in section c.3 above, in the case of a special assessment for which a taxing authority permits or prescribes installment payments that extend beyond the lease term, reimbursement will be made only for those installments that are required to be made during the lease term, regardless of whether Lessor pays in full or otherwise adjusts the payment schedule within the lease term.
5. Reimbursement will be made only for taxes levied for periods of time within the term of this Lease.
6. In order to qualify for reimbursement, the tax bill as issued by the taxing authority must pertain only to the Demised Premises, and to no other real property.
7. **Lessor must provide copies of the front and back of the complete tax bill issued by the taxing authority, along with satisfactory proof of payment. Satisfactory proof of payment shall be (i) a receipt for payment shown on the face of the tax bill, (ii) a copy of the front and back of the canceled payment check, (iii) a statement from a lender verifying payment of the tax, or (iv) other documentation satisfactory to the Postal Service.**
8. Incomplete or improper requests for reimbursement will be returned to Lessor without payment.
9. **The Postal Service is not required to reimburse paid taxes unless the request for reimbursement is made within 18 months after the close of the tax year.**

d. The Lessor must promptly furnish to the Postal Service copies of all notices that may affect the valuation of the Demised Premises for Real Property Tax purposes or that may affect the levy or assessment of Real Property Taxes thereon. If Lessor does not timely furnish such notices relating to valuation changes or the levy or assessment of taxes or fails to meet any legal prerequisite for appeal and the Postal Service loses the right to contest the validity or the amount of the taxes, then the Postal Service shall be responsible to reimburse Lessor for only 75% of the reimbursable taxes due for the year involved.

All notices required under this paragraph must be delivered or mailed, using certified mail with a return receipt or other verified method of delivery, within ten (10) days from the receipt thereof by the Lessor to:

CONTRACTING OFFICER, ATLANTA FSO  
4000 DEKALB TECH PKWY 300, ATLANTA, GA 30340-2799

or to such other office as the Postal Service may later direct in writing.

- e. The Postal Service may contest the validity of any valuation for Real Property Tax purposes or of any levy or assessment of any Real Property Taxes by appropriate proceedings either in the name of the Postal Service or of the Lessor or in the names of both. Notwithstanding any contest of valuation, levy, assessment, or Property Tax Rate, Lessor must pay under protest the Real Property Taxes involved when requested to do so by the Postal Service. The Lessor, upon reasonable notice and request by the Postal Service, must join in any proceedings, must cooperate with the Postal Service, and must execute and file any documents or pleadings as the Postal Service may require for such proceeding, provided the Lessor is reasonably satisfied that the facts and data contained therein are accurate. Lessor will not be responsible for the payment of penalties, costs, or legal expenses in connection with any protest or appeal proceedings brought by the Postal Service, and the Postal Service will indemnify and save harmless the Lessor from any such penalties, costs, or expenses. Lessor hereby authorizes the Postal Service as its agent to represent its interest in any appeal or protest proceeding authorized under this paragraph.
- f. Lessor shall promptly notify the Postal Service of any appeal or other action it takes or initiates to adjust any valuation of the property, Property Tax Rate, or levy or assessment of Real Property Taxes. The Postal Service is entitled to any and all monies obtained through such actions or any other refunds or remissions of Real Property Taxes paid in any year subsequent to the commencement of the lease. If any such refunded or remitted monies are paid or delivered to Lessor, Lessor must immediately forward them to the Postal Service. If Lessor is informed that he is entitled to a refund or remission of monies paid as Real Property Taxes upon the submission of an application, Lessor will promptly make and file such application, and upon receipt of such refund or remission, immediately forward it to the Postal Service. The Postal Service reserves the right to offset refund and remission payments not so obtained or forwarded, against rental or other payments due the Lessor.
- g. The Postal Service is entitled to the benefits of all tax exemptions or abatements authorized by law or regulation that may be available with respect to the Demised Premises. Lessor shall take all necessary steps to obtain such exemptions or abatements. The Postal Service reserves the right to offset against rental or other payments due the Lessor the amount or value of any abatement or exemption that would have been available if Lessor had properly applied for it, and any amount for which the Postal Service is not to be responsible under paragraph (b), above.
- h. Nothing herein contained shall operate to waive or deprive the Postal Service of any rights, privileges or immunities it enjoys under law.



P BK 92 PG 145

Facility Name/Location USPS Facility  
Horn Lake, MS

County:  
Project:

### ASBESTOS-FREE CERTIFICATION

This contractor/supplier hereby certifies that no asbestos-containing material has been furnished or installed at the referenced project.

Contractor/Supplier:

Company:

SHERROD CONSTRUCTION CO.

Address:

P.O. Box 660709

City/State/Zip:

BIRMINGHAM, AL 35266

Phone:

(205) 322-9998

Officer's Signature:

Print Name:

P. Blake Sherrod

Title:

President

Date:

9/6/01

STATE OF Alabama  
COUNTY OF Jefferson

On this 6<sup>th</sup> day of September 2001 before me Sandra D. Prater a Notary Public in and for said state, personally appeared P. Blake Sherrod, known to me to be the person who executed the Asbestos-Free Certification on behalf of said corporation/company and acknowledged to me that executed same for the purposes therein stated.

Sandra D. Prater

My commission expires:

4/10/2004

(SEAL)

ASBESTOS-FREE CERTIFICATION-ISSUE DATE: 03/17/98 (01150-7)

ADDENDUM

P BK 92 PG 146

FACILITIES SERVICE OFFICE  
BLDG 300 - SUITE 300  
4000 DEKALB TECHNOLOGY PARKWAY  
ATLANTA GA 30340-2799



Firm Name: THE SHERROD COMPANY  
Contact: -  
Address: P.O. Box 660709 Birmingham AL  
Telephone: 205 322 9945 33266-0709

Contract No. \_\_\_\_\_  
Facility Name: HOHEN LAKE MS  
Zip: 38637-9998  
Type: NCL  
Project No. \_\_\_\_\_

### CONSTRUCTION CONTRACTOR PERFORMANCE EVALUATION

Performance Elements	Minimum 1	2	Average 3	4	Maximum 5	Not Applicable
01. Contract Submittals Shop Drawings, etc.		✓				
02. Superintendence			✓			
03. Modification & Change Order Activity By Contractor			✓			
04. Record Drawings - As Built			✓			
05. Quality of Materials and Workmanship			✓			
06. Control of Subcontractor Activity			✓			
07. Adequacy of Work Force				✓		
08. Safety Practices			✓			
09. Operations and Maintenance Manuals and Instructions			✓			
10. Job Cleanliness and Traffic Control			✓			
11. Completion of Punchlist				✓		
12. Spare Parts Delivery			✓			
13. Met Project Schedule	✓					

Adherence to Equal Employment Opportunity & Labor Standards ☒ Yes ☐ If No. Explain: \_\_\_\_\_

Would you recommend this contractor for future work? ☒ Yes ☐ If No. Explain: \_\_\_\_\_

CONTRACTOR WAS LATE BUT TRIED TO  
GIVE US A GOOD BUILDING

Other Comments: \_\_\_\_\_

For additional information which may be required contact;  
Atlanta Facilities Service Office (770) 454-0600.

, Architect, Project Manager for the

[Signature]  
Project Manager Signature

11/05/01

Date

P Book 92 Pg 146A



## Mortgagee's Agreement

(To be executed and attached to lease before it is recorded)

Facility Name/Location

Horn Lake, DeSoto County, Mississippi

The undersigned,

holder(s) of a mortgage in the sum of One Million Four Hundred Thousand Dollars (\$1,400,000.00)

on the property situated at: 3724 Goodman Road ( Mississippi Highway 302), Horn Lake, Mississippi

hereby consent(s) to the leasing of said property to the U.S. Postal Service and agree(s) for itself, its successors, executors, administrators, and assigns that in the event it should become necessary to foreclose said mortgage the mortgagee will cause the sale of said premises to be made subject to said lease.

United Farm Family Life Insurance Company

Mortgagee Company

J. Laci Mahom

Witness

By:

Brian M. Bark

Signature of Mortgagee's Officer

Its Director, Investments

Title of Mortgagee's Officer

225 South East Street

Street Address

Indianapolis, Indiana 46202

City, State and ZIP+4

Subscribed and Sworn to before me, a notary public, in and for County, State of Indiana

this 27th day of September, 2001

Deborah S. Kunstek

Notary Public

DEBORAH S. Kunstek

My commission expires July 16, 2002